

LEBANON COUNTY REGIONAL
POLICE DEPARTMENT

CHARTER AGREEMENT

Draft #1 of the Intermunicipal Charter Agreement Between North Lebanon Township and North Cornwall Township- Presented at the December 13, 2023, Regional Police Department Steering Committee Meeting.

Table of Contents

ARTICLE I	Definitions	3
ARTICLE II	Purpose.....	3
ARTICLE III	Jurisdiction and Authority.....	4
ARTICLE IV	Police District Boundaries	8
ARTICLE V	Regional Police Commission.....	8
ARTICLE VI	Meetings.....	10
ARTICLE VII	Apportionment Formula.....	12
ARTICLE VIII	Finance	13
ARTICLE IX	Capitalization	15
ARTICLE X	Pensions	16
ARTICLE XI	Police Department Buildings	18
ARTICLE XII	Police Record System	19
ARTICLE XIII	Immunity and Claims.....	19
ARTICLE XIV	Joinder of Additional Municipalities	20
ARTICLE XV	Withdrawal of Charter Municipalities	21
ARTICLE XVI	Term and Dissolution.....	23
ARTICLE XVII	Effect of Regionalization on Existing Police Departments	25
ARTICLE XVIII	Amendment and Execution.....	26
EXHIBIT A	Initial Apportionment of Police Protection Units	27
EXHIBIT B	Proposed Preliminary Budget for 2024.....	31
EXHIBIT C	Cash & Other Capital Contributions – N. Lebanon and N. Cornwall Townships	33
EXHIBIT D	Cash & Other Capital Contributions – Subsequent Charter Municipalities	34

LEBANON COUNTY REGIONAL POLICE DEPARTMENT

CHARTER AGREEMENT

This Agreement is made, executed, and delivered in multiple copies this ____ day of _____, 2023 (“Effective Date”), by and between NORTH LEBANON TOWNSHIP and NORTH CORNWALL TOWNSHIP, all of which are Townships of the Commonwealth of Pennsylvania, situated in the County of Lebanon, as the Charter for the Lebanon County Regional Police Department (“Department” or “Regional Department”), an unincorporated nonprofit associated established under the authority of 53 Pa. C.S.A. § 2301 et seq., for the express purpose of providing police services for North Lebanon and North Cornwall Townships, and other municipalities who may subsequently participate under the terms of this Agreement.

WITNESSETH:

WHEREAS, North Lebanon Township and North Cornwall Township currently are served by police departments operating independently of each other; and

WHEREAS, North Lebanon and North Cornwall Townships desire more uniformity and continuity in the enforcement of the laws of the Commonwealth of Pennsylvania and the ordinances of North Lebanon and North Cornwall Townships; and

WHEREAS, coordination and integration of the exercise and discharge of police powers in North Lebanon and North Cornwall Townships can be improved and made more cost effective by the establishments of a regional police department; and

WHEREAS, the Board of Supervisors of North Lebanon and North Cornwall Townships have, by appropriate resolutions and/or ordinances, manifested an interest in safer communities through improved police services; and

WHEREAS, it is the desire of North Lebanon and North Cornwall Townships to enter into this Agreement for the purpose of having available for use throughout the territorial limits of North Lebanon and North Cornwall Townships the service of a regional police department under the terms and conditions hereinafter set forth; and

WHEREAS, North Lebanon and North Cornwall Townships desire to associate themselves in and by virtue of this Agreement to create a regional police commission to operate a regional police department; and

WHEREAS, cooperation between North Lebanon and North Cornwall Townships is a proper exercise and discharge of their governmental powers, duties, and functions, and is authorized by Article IX, Section 5 of the Constitution of the Commonwealth of Pennsylvania, and 53 Pa. C.S.A. § 2302 et seq.

NOW THEREFORE, in consideration of the mutual promises hereinafter contained, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section A. “Commission” shall be defined as the Lebanon County Regional Police Commission, which is the legally independent, unincorporated, nonprofit association formed by this Agreement and is the governing body of the Lebanon County Regional Police Department.

Section B. “Department” or “Regional Department” shall be defined as the police department operated by the Commission and serving the Participating Municipalities’ police needs.

Section C. “Charter Municipalities” shall be defined as North Lebanon and North Cornwall Townships and any other municipality that shall hereafter join the Department and pay an admission fee as set forth in Article VII, Section B.

Section D. “Contracting Municipalities” shall be defined as any other municipality which may contract for police services from the Lebanon County Regional Police Commission.

Section E. “Participating Municipalities” shall be defined as all Charter and Contracting Municipalities.

ARTICLE II PURPOSE

The express purpose of the Charter shall be to establish the Regional Department as an unincorporated association, distinct from its Participating Municipalities, the goal of which association shall be to provide comprehensive, quality police protection for its Participating Municipalities in the most efficient manner.

ARTICLE III JURISDICTION AND AUTHORITY

Section A. The Commission shall provide supervision and direction of all the police activities of the Regional Department, including responsibility for and jurisdiction over all actions customary and appropriate to provide police services to the Participating Municipalities, including, without limitation, investigation of all crimes and complaints requiring police attention within the Participating Municipalities, and all other services normally provided by a municipal police agency, as permitted by applicable law, and implied and incidental to effectuating the statement of Purpose in Article II.

Section B. In addition to the foregoing, the Commission shall have the following express authority:

1. Lease, sell, and purchase real estate.
2. Lease, sell, and purchase personal property.

3. Enter into contracts for the purchase of insurance, goods, and services, and collective bargaining agreements.
4. Hire, fire, suspend, promote, demote, discipline, set salaries, and otherwise deal with employees.
5. Serve as a hearing board for employee grievances.
6. Establish and maintain bank accounts and other financial accounts.
7. Invest monies in investments authorized for municipalities of the Commonwealth of Pennsylvania.
8. Borrow monies **not** in excess of fifty thousand dollars (\$50,000.00) in aggregate of such amounts outstanding.
9. The Commission shall have the following express authority with the approval of at least 2/3 of the Commission Members: lease, sell, and purchase real estate, and borrow monies in excess of fifty thousand dollars (\$50,000.00) in the aggregate outstanding at any time.
10. Establish and fund employee benefit programs, group, insurance, Social Security, and a Pension fund.
11. Delegate any of its powers, express or implied, to its Police Chief or his/her designee.
12. Obtain legal, accounting, and other professional services.
13. Adopt bylaws and policies consistent with this Charter and its Purpose as stated in Article II.

Section C. The Regional Department's police officers and civilian personnel, except to the extent directed otherwise by the Commission, shall be under the direct supervision of a Chief of Police, who shall report to the Commission.

Section D.

1. Police Officers. At the initial commencement of services by the Department, police services shall be provided by all current officers of the North Lebanon and North Cornwall Township Police Departments who shall become officers with the Lebanon County Regional Police Department in accordance with a joint Collective Bargaining Agreement ("CBA").

ALTERNATIVE A: Removed

ALTERNATIVE B: Removed

2. Civilian Employees. On or before the date on which the Regional Department becomes operational, the Commission may offer full-time civilians (non-uniformed employees) employed by the North Lebanon and North Cornwall Township departments full-time employment with the Regional Departments at salaries, wages, benefits, positions, and seniority levels fixed by the Commission. This Section is not intended to indicate or imply that any officers or employees of the Regional Department will receive greater salary benefits, job tenure rights or any other assurance of future employment than they would have received from North Lebanon or North Cornwall Townships, or to which they would otherwise be entitled under Pennsylvania law. This section shall apply only to the civilian police employees of North Lebanon and North Cornwall Townships and shall not be applicable to any Participating Municipalities who may subsequently join the Department pursuant to Article XIV hereof.

Section E. The Regional Department and its Commission, as independent legal entities created pursuant to Article IX, Section 5 of the Constitution of the Commonwealth of Pennsylvania, and 53 Pa. C.S.A. § 2301 et seq., shall not be governed by an Borough, City, or Township Code other than as stated herein. The Commission may, in its discretion, look to such Codes for guidance in the administration of the Regional Department; however, in doing so, the Commission shall not be deemed to have adopted or become bound by said laws by implication or past practice. The Commission shall be bound by the provisions of the following laws, as may be amended hereafter: 1) the Local Agency Law, 2 Pa. C.S.A. § 101 et seq.; 2) the Heart and Lung Act, 53 P.S. § 637 et seq., 3) the Police Tenure Act, 53 P.S. § 811 et seq.; 4) Act 111, 43 P.S. § 217.1 et seq.; 5) the Pennsylvania Labor Relations Act, 43 P.S. § 211.1 et seq. In the event that

any provision of this Agreement may be contrary or inconsistent with one or more of these specifically referenced laws, and any amendments thereto, the law shall be controlling.

**ARTICLE IV
POLICE DISTRICT BOUNDARIES**

Section A. The total political and geographic area of the Participating Municipalities shall be established for providing police services hereunder.

Section B. The Participating Municipalities shall be deemed to have surrendered their authority to provide police services in said areas to the Commission, subject to the terms of this Agreement and the limitations set forth in Section C.

Section C. The Participating Municipalities shall retain concurrent policy power within their respective jurisdictions, to enable each to enforce its own municipal ordinances in the manner and through the means each deems appropriate.

**ARTICLE V
REGIONAL POLICE COMMISSION**

Section A. The Department shall be under the direction and control of the Commission, which shall be the governing body of the Department and, as such, shall be responsible for the operation, management, and administration of the Regional Department and have the functions, powers, and duties prescribed by this Agreement.

Section B. The Commission shall initially consist of two representatives from the North Lebanon Township Board of Supervisors, and two representatives from the North Cornwall Township Board of Supervisors. Commission members' term of office shall be _____ years and shall be appointed at a regular meeting of the governing bodies of the Charter Municipalities.

Section C. A citizen-at-large position shall be created as a voting member of the Commission, at the discretion of the Commission or when there is an even number of Commissioners. No elected official or employee of a Charter Municipality shall be eligible for appointment as the citizen-at-large member. An appointed member of a municipal commission or board is eligible for appointment as a citizen-at-large member. Except as provided below, the appointment shall be for a _____ year term. This appointment shall be on a rotating basis between the municipalities representing a Commission Member. The citizen-at-large must be a resident of a Charter Municipality. North Lebanon Township shall appoint the first citizen-at-large member for a _____ year term. North Cornwall Township shall appoint the second citizen-at-large member. Thereafter, each municipality or municipalities representing a new Commission member shall appoint the citizen-at-large member in the order of joining the Commission and appointing a Commission member. The citizen-at-large position shall be terminated if additional Commission members are added or changed and such addition or change of members create an even number of Commission members when including the citizen-at-large.

Section D. Each representative Commission Member shall be a member of the governing body of the Charter Municipality appointing said person. A representative of a Contracting Municipality shall be a member of the governing body. In the event a representative resigns, ceases to be eligible, or is incapacitated and unable to serve as a member of the Commission, the municipality represented by the vacating Commission Member shall appoint a successor representative for the unexpired term.

Section E. Contracting Municipalities shall not have the right to appoint a voting representative but shall appoint a representative to attend meetings and participate in discussions including Executive Sessions.

Section F. In the event a representative resigns, ceases to be eligible, or is incapacitated and unable to serve as a member of the Commission, such position on the Commission shall be vacant until the Charter Municipality appoints a successor representative for the unexpired term.

Section G. No sworn police officer or civilian employee of the Department shall be eligible for appointment to the Commission.

Section H. Initially, North Lebanon and North Cornwall Townships shall appoint one representative to the Commission for a term ending on the first Monday in January, 2024; and, North Lebanon and North Cornwall Townships shall appoint one police Commission representative for a term ending on the first Monday in January, 2025. Thereafter, the terms of office shall be for three years and shall commence on the date of appointment, which shall be made at the reorganization meetings of the governing bodies of the Charter Municipalities. All initial appointments to the Commission shall be made by North Lebanon and North Cornwall Townships within thirty (30) days of the Effective Date of this Agreement. Charter Municipalities shall notify the Commission in writing as to who has been appointed to serve as their representatives at the beginning of that person's term prior to the first meeting of the year or if a replacement is made, prior to the next regularly scheduled meeting of the Commission.

Section I. The officers of the Commission shall be Chairman, Vice-Chairman, and Secretary/Treasurer, and such other officers as the Commission may deem necessary and appropriate. The duties of the officers shall be as prescribed by Roberts Rules of Order, Revised, or as modified by any duly adopted bylaws of the Commission.

Section J. The Commission shall hold its initial organizational meeting within forty-five (45) days of the Effective Date of this Agreement. Thereafter, the Commission shall take all necessary steps within its power to make the Department operational within ninety (90) days of the Effective Date of this Agreement.

Section K. Within ninety (90) days of the Effective Date of this Agreement, the Commission shall provide to North Lebanon and North Cornwall Townships, as well as any other then existing Charter Municipalities, written notice that the Department is prepared to become operational upon the staffing of police officers and civilian employees under Article III, Section D, above, and conveyance of police equipment by North Lebanon and North Cornwall Townships under Article IX, Section B, below.

Section L. The Commission shall ensure that the Department fulfills any contractual obligations of North Lebanon and North Cornwall Townships to provide police services to other municipalities and entities which exist on the date the Department becomes operational until such obligations expire by their terms or are lawfully terminated by North Lebanon or North Cornwall Townships under the provisions thereof.

ARTICLE VI MEETINGS

Section A. The Commission shall meet at an advertised scheduled meeting each month for the purpose of conducting official business, or at such other times as may be determined by resolution of the Commission. The first meeting of each year shall be the reorganization meeting for the purpose of electing officers for a one-year term and otherwise conducting reorganization business.

Section B. Special or rescheduled regular meetings of the Commission may be scheduled by appropriate resolution fixing the date, time, and location of such meeting. Special or rescheduled meetings may be called by the Chairman and shall be called at the written request of any two or more members of the Commission. The call and the request, if any, shall state the purpose of the meeting. Written notice of each such special or rescheduled meeting shall be given as least one day prior to the day named for the meeting to each member of the Commission who

does not waive such notice in writing. The notice shall state the purpose of the special or rescheduled meeting.

Section C. A majority of the members of the Commission shall be necessary to constitute a quorum for the transaction of business, and the acts of the majority of Commissioners present at a meeting, at which a quorum is present, shall be the action taken; provided, however, that any vote pertaining to the expenditure of funds shall require a majority of the members of the entire Commission. Voting on all questions shall be taken by a voice vote, provided, however, that the Chairman may, on his own motion or shall, at the request of any Commissioner, cause a vote to be taken by roll call. The parliamentary procedure of the Commission shall be governed by Roberts Rule of Order, Revised, or as modified by any duly adopted bylaws of the Commission.

Section D. The Commission shall maintain an accurate record of the minutes of meetings, regular or special, and such other records, as it deems necessary and appropriate. Such minutes and records shall, at reasonable times, be open for public inspection. A copy of the minutes of all meetings shall be forwarded to each of the Participating Municipalities.

Section E. The Chief of Police of the Department, or his/her designee, shall attend all Commission meetings and, when requested, the monthly meetings of the Charter Municipalities to keep abreast of discussions, policies, and activities and relate reports of same as requested.

Section F. The Chief of Police of the Department shall give a monthly report of the Department's activities at each Commission meeting. The monthly report shall contain the following information for each Municipality and for the Department: hours of service provided, hours of service received compared to the annual budget, the number and type of calls, the number and types of crimes, motor vehicle accidents, moving violations, and arrests. The Chief or his/her designee or a financial officer appointed by the Commission shall also present a monthly financial report regarding the Department.

ARTICLE VII
APPORTIONMENT FORMULA

Section A. All costs of the Department for police services, including, without limitation, employee payroll and benefits and vehicle and headquarter operating expenses, shall be apportioned to each Participating Municipality using a Police Protection Unit (“Unit”) basis. Each Charter Municipality will commit to purchase Units of service annually. Exhibit A attached to this Agreement reflects the total number of Units by Charter Municipality to be purchased in 2024. Since one or more Charter Municipalities may be a party to an agreement to provide police services to a third party and this obligation shall be assumed by the Commission, each Charter Municipality will identify the Units being purchased to fulfill a third-party agreement for police services and provide to the Commission a copy of the third-party agreement. The number of Units of service will determine the Charter Municipality’s funding assessment. One Unit is the equivalent of ten hours of police service per week for fifty-two weeks per year. The definition and value of Units shall be subject to review and redefinition annually by the Commission. Contracting Municipalities, if any, shall not be apportioned to a funding assessment based upon Units and expenses, but shall pay a fee per negotiated contract.

Section B. New Charter Municipalities will be assessed on the basis of the number of Units put into service for the new Charter Municipality as defined and valued at that time. In addition, any new Charter Municipality joining the Commission shall be required to pay to the Commission amounts determined by the Commission and approved by a majority of the governing boards of the Charter Municipalities. A new Charter Municipality must pay said amount before its membership becomes effective. Said amount shall be distributed among the then-current Charter Municipalities, based upon the Units subscribed by the then-current Charter Municipalities.

Section C. A Charter Municipality may not reduce its Units purchased for any given calendar year if such reduction would cause the staffing for the Municipality to fall below the

International Association of Chiefs of Police staffing standards. Moreover, even if the above standards are met, no Charter Municipality may reduce its Units by more than five percent (5%) below the number of Units it purchased for the immediately preceding calendar year, or as prorated for that year, if applicable. The Units purchased to provide police services pursuant to a third-party agreement shall be excluded from the calculation of the five percent (5%) limit on reducing services.

ARTICLE VIII FINANCE

Section A. The Commission shall prepare a draft of the Department's annual budget for consideration no later than September 1st of the year preceding the budget year. Upon approval of the Commission, the budget shall become effective for the year for which it was formulated. A proposed preliminary budget for 2024 is provided and attached to this Agreement as Exhibit B. If required approval is not obtained on or before the date of the November meeting of the Commission, the prior year's budget shall be operative until the new budget is approved by the Commission. Each Charter Municipality shall make payment of its annual funding assessment bimonthly on the first day of the appropriate month. Contracting Municipalities, if any, shall pay fees as set forth in their negotiated contract.

Section B. All monies for the operation of the Department, from whatever source derived, shall be paid to the Treasurer of the Commission. Said monies shall be deposited by the Treasurer in a special account in a FDIC insured depository located in any of the Charter Municipalities. The account, to the extent the same is not insured, shall be collateralized by the depository in accordance with PA Act 72 of 1971. The monies in said account shall be paid out on the warrant or other order of the Treasurer of the Commission and one other member of the Commission. The

Treasurer of the Commission shall give bond in such sum as approved by the Commission, and the Commission shall pay the premiums.

Section C. The Commission shall file all required federal and state reports, and an annual written report addressing its police work with the Department of Community and Economic Development of the Commonwealth of Pennsylvania, its successors and/or assigns, if required, and with the Participating Municipalities by April 30th of each year. The report shall, at a minimum, set forth the number and types of incidents and any trends relating thereto, recommendations as to improving police services, and proposed capital improvement expenditures for subsequent years. The Commission shall have the Department's books, accounts, and records audited annually by a Certified Public Accountant, and a copy of the audit report shall be attached to, and be made a part of, the aforesaid annual report. If the Commission fails to make such an audit, then the comptroller, auditors, or accountants designated by any one of all of the Charter Municipalities shall be authorized from time to time to examine the books of the Regional Department, including its receipts, disbursements, sinking funds, investments, and any other matters relating to its financing and affairs.

Section D. The fiscal year for the Commission shall be January 1st through December 31st.

ARTICLE IX CAPITALIZATION

Section A. North Lebanon and North Cornwall Townships shall contribute the cash necessary and appropriate to fund initial working capital and acquisition or leasing of assets required to operate the Regional Department. Determination of these amounts shall be made by mutual agreement of North Lebanon and North Cornwall Townships after preparation and review of a pro forma budget, income/expense statement, and balance sheet for the Department. All cash

and other capital contributions shall be allocated between North Lebanon and North Cornwall Townships and reflected in Exhibit C attached to this Agreement.

Section B. All existing police vehicles, equipment, materials, and supplies of North Lebanon and North Cornwall Townships which may be useful to the Commission shall be assigned or conveyed to the Commission by North Lebanon and North Cornwall Townships. The fair market value of these assets shall be determined by an appraiser or appraisers appointed by North Lebanon and North Cornwall Townships and shall be based primarily upon fair market value for like used equipment and materials. The Commission shall decide which vehicles, equipment, materials, and supplies it desires to utilize, and said items shall be conveyed by bill of sale or title by North Lebanon and North Cornwall Townships to the Department with appropriate credit towards their negotiated share of initial startup costs. Any leased assets may be assigned, and the leases assumed by the Commission on behalf of the Regional Department. Such assets contributed, in kind, shall be a part of North Lebanon and North Cornwall Townships respective capital contributions, reflected in Exhibit C.

Section C. Any capital contribution by any Charter Municipality subsequently joining the Commission, if any, shall be identified in Exhibit D to be attached to this Agreement.

ARTICLE X PENSIONS

Section A.

1. Police Officers. The Commission shall establish pension plans for its sworn police officers pursuant to one of the following alternatives:

Alternative A: The Commission shall establish for the benefit of all sworn police officers a regional police pension plan (“Regional Police Plan”) in accordance with the provisions of Act 600, as amended, 53 P.S. § 767 et seq. on or before the Effective Date of this Agreement,

or as soon as practicable thereafter, North Lebanon and North Cornwall Townships shall, after complying with, and obtaining any necessary authorizations prescribed by applicable statutory and regulatory law, transfer existing pension funds into the Regional Police Plan.

Alternative B: The Commission shall establish a regional police pension plan (“Regional Police Plan”) in accordance with the provisions of Act 600, as amended, 53 P.S. § 767 et seq., for the benefit of any officer hired after the Effective Date of this Agreement. Officers assigned by North Lebanon and North Cornwall Townships to perform police services under the direction and control of the Commission shall continue to be members of the pension plans in which they were members immediately prior to the Effective Date, unless and until the bargaining units are consolidated through the Act 111 collective bargaining process.

If the North Lebanon Police Officers Association and the North Cornwall Police Officers Association do not oppose regionalization and execute a consolidated regional police collective bargaining agreement within sixty (60) days of the Effective Date of this Agreement, Alternative A shall be the operative provision for purposes of this Section. In the event that the North Lebanon Police Officers Association and the North Cornwall Police Officers Association do not execute a consolidated regional police contract within sixty (60) days of the Effective Date of this Agreement, Alternative B shall be the operative provision for purposes of this Section.

2. Civilian Employees. The Commission shall also establish a defined contribution pension plan for the benefit of its civilian employees (“Regional Nonuniformed Plan”).

3. This section shall apply only to North Lebanon and North Cornwall Townships and shall not be applicable to any Participating Municipality which may subsequently join the Department pursuant to Article XIV hereof.

Section B. The Commission shall assume full responsibility for the accrued pension liability of the Regional Police Plan created under Section A of this Article. The Commission shall

indemnify and hold North Lebanon and North Cornwall Townships, as well as all other Participating Municipalities, harmless from any and all claims, including payment of counsel fees and costs, made against them based upon said accrued pension liability under the referenced plans, by any sworn officers, their heirs, executors, and administrators.

Section C. In the event of dissolution of the Regional Department, or of the withdrawal of North Lebanon and North Cornwall Townships, or any other Charter Municipality, and upon the subsequent hiring of any former Regional Department officer or civilian employee by a Charter Municipality, that municipality shall be deemed to have assumed the accrued pension liability attributable to any such officer and/or civilian employee. The Commission shall turn over the proportionate shares of the funds attributable to the relevant employee(s) from the Regional Police or Nonuniformed Plan to North Lebanon and North Cornwall Townships or other Charter Municipality, upon approval of state regulatory authorities. Said sum shall be used by the municipality to fund the pension liability assumed as a result of dissolution or withdrawal and for no other purpose. Upon the assumption of accrued pension liability, North Lebanon and North Cornwall Townships or other Charter Municipality shall thereafter indemnify and hold the Commission harmless from any and all claims, including payment of counsel fees and costs of suit, based upon said accrued pension liability made against it by any sworn officer or civilian employee.

ARTICLE XI POLICE HEADQUARTERS

The central police headquarters for the Department shall be located, initially, in the existing headquarters of the North Lebanon Township Police Department. The space shall be leased by North Lebanon Township to the Commission, under such terms and conditions as may be mutually agreed upon by and between the North Lebanon Township Board of Supervisors and the

Commission. The location of the headquarters, or any satellite locations, shall be subject to change from time to time as the Commission may determine.

ARTICLE XII POLICE RECORD SYSTEM

Section A. The Commission shall furnish to each of the Participating Municipalities the names of all police officers of the Department for the purpose of passing a resolution whereby such officers are authorized to enforce the laws of the United States, the Commonwealth of Pennsylvania, and the municipality within the municipality's boundaries.

Section B. The police services performed, and the expenditures incurred under this Agreement shall be deemed for public and governmental purposes, and all immunities from liabilities enjoyed by the Participating Municipalities within their boundaries shall extend to their participation in police services outside their boundaries and within the Regional Department's jurisdiction.

Section C. The Commission shall maintain liability insurance coverage against claims arising out of its police activities at the level required by the Municipal Torts Claim Act, 42 Pa. C.S. Section 8541 et seq. Each Participating Municipality and Commission agree to cause any insurance policy providing liability coverage against claims arising out of the Department's police activities, whether within or outside its municipal boundaries, to contain a waiver of subrogation clause or endorsement under which the insurance company waives its right of subrogation against any Participating Municipality as to any and all causes of action or claims against all other Participating Municipalities hereto which may arise out of police activities hereunder. The Department shall be a named insured under such policies, and a certificate evidencing such coverage shall be supplied to the Commission and all Participating Municipalities annually.

Section D. For purposes of liability, in actions arising out of regional police services, to the extent any such claims are not covered by liability insurance or otherwise limited by law, all Charter Municipalities shall be liable in the same proportion as they are for the funding assessment of the Charter Municipalities during the period the police services in question were rendered, as set forth above in Article VII, Section A.

ARTICLE XIV JOINDER OF ADDITIONAL MUNICIPALITIES

Section A. Additional municipalities may become Charter Municipalities under this Agreement, upon application to the Commission, approval of the Commission, and at least two-thirds of the then current Charter Municipalities, and upon ratification of this Agreement by the applicant municipality, its adoption of an ordinance authorizing joinder and payment of the fee under Article VII, Section B. The Joinder Agreement for new Charter Municipalities shall specify a minimum period of participation.

Section B. The Commission may permit the purchase of services by Contracting Municipalities on terms mutually agreed upon by the Commission and such Contracting Municipalities. Such contracts must be approved by at least two-thirds of the Commission members. Such Contracting Municipalities shall not enjoy the rights and privileges of, nor the duties and liabilities offered and imposed by, this Charter Agreement, except to the extent specifically identified and incorporated in the contract between the Commission and such Contracting Municipality.

ARTICLE XV WITHDRAWAL OF CHARTER MUNICIPALITY

Section A. Because of the great amount of time, mutual commitment, reliance, and expense expended in the formation of the Department, North Lebanon and North Cornwall Townships agree not to withdraw from participation in the Department, reduce the Units of service purchased during the prior fiscal year by more than five percent (5%), or dissolve the Department before _____.

The Charter Municipalities recognize that the purpose in establishing the Regional Department, and the reason for subsequent joinder of any additional participants, is the desire among the Charter Municipalities to minimize their costs of providing police services, by sharing certain costs of those services, and of establishing high quality police services. In the same fashion that cost savings are affected, and quality if hopefully improved, with the joinder of participants, a corresponding cost increase and possible negative impact upon quality of service may result from the withdrawal of participants.

Given this impact upon the remaining Charter Municipalities, the facts and circumstances of each Charter Municipality's proposed withdrawal should be evaluated. Following such evaluation, the Commission, in its discretion, may elect to take no stated position as to its support of the Charter Municipality's proposed withdrawal, resolve to encourage or support a proposed withdrawal, or resolve to discourage or oppose the proposed withdrawal. The Commission may further resolve to take any and all actions which it deems appropriate to further or support its position on the proposed withdrawal. A Charter Municipality proposing withdrawal shall not participate in such decision-making process relative to the withdrawal and may be excluded from executive sessions in which such evaluations are undertaken.

A withdrawing Charter Municipality shall not be penalized for its decision to withdraw. However, its joinder is viewed as a commitment to the other Charter Municipalities, and as such,

the remaining Charter Municipalities should not have to suffer financial loss or reduction in quality of service due to an individual Charter Municipality's decision to withdraw.

Section B. The withdrawing Municipality shall pay the following amounts to the Commission as full and complete payment of its withdrawal liability: (1) within three (3) months after the effective date of separation, the withdrawing Municipality shall pay Fifty Percent (50%) of the Units purchased in the last calendar year of full participation; (2) within Fifteen (15) months after the effective date of separation, the withdrawing Municipality shall pay Twenty-Five Percent (25%) of the Units purchased in the last calendar year of full participation; (3) within Twenty-Seven (27) months after the effective date of separation, the withdrawing Municipality shall pay Twenty-Five Percent (25%) of the Units purchased in the last calendar year of full participation; and (4) within Twenty-Four (24) months after the effective date of withdrawal, One Hundred Percent (100%) of the withdrawing Municipality's shared based on Units purchased of the unfunded actuarially accrued liability for the Police Pension Fund, if any, on the effective date of separation. A withdrawing Municipality shall receive no credit for a surplus, negative unfunded actuarially accrued liability for the Police Pension Fund, if any, on the effective date of separation.

Section C. Upon withdrawal, a Charter Municipality shall receive, in cash or in kind, as determined by the Commission, an amount equal to its capital contribution as reflected in Exhibit C or D, subject to deduction or adjustment for depreciation and obsolescence, less any sums due to the Commission pursuant to Section B payable, at the discretion of the Commission, either in a lump sum within Three (3) months after the effective date of withdrawal, or in Three (3) equal annual installments, with the first payment due within Three (3) months of the effective date of withdrawal, and succeeding payments due on or before the expiration of Two (2) years thereafter.

Section D. A separation agreement shall be executed by the Commission and the withdrawing Charter Municipality prior to the effective date of termination, setting forth the details

of the continuing costs, obligations, and liabilities between the Commission and the withdrawing Charter Municipality, and any other details of agreements, terms, and conditions concerning the severing of the relationship between the parties, and the satisfaction of remaining commitments.

Section E. Any Charter Municipality desiring to withdraw from the Department must provide written notice of its intent to do so to the Commission and all other Charter Municipalities at least Fifteen (15) months prior to the effective date of such withdrawal.

ARTICLE XVI TERM AND DISSOLUTION

Section A. The initial term of this Agreement shall begin on the Effective Date and shall end on _____. The term shall, however, renew automatically from year to year thereafter, subject to the dissolution provisions hereof.

Section B. Dissolution of the Department may be affected by a vote of at least two-thirds of the Commission and passage of ordinances of at least two-thirds of the Charter Municipalities directing dissolution. All votes required to effectuate dissolution under the terms of this Agreement must take place at least Fifteen (15) months prior to the start of the fiscal year during which such dissolution is to be effective.

Section C. In the event of dissolution of the Regional Department, all real estate, vehicles, equipment, materials, and supplies retained by the Commission shall be appraised by appraisers appointed by the Commission for the purpose of determining fair market value. The Commission shall first pay all lawful debts and obligations incurred during its term of existence, and any reasonable reserve for same. Thereafter, the Commission shall pay to each Charter Municipality, in cash or in kind, a sum equal to the value of its initial capital contribution established pursuant to Exhibits C and D hereof. Last, the remaining assets, if any, shall be distributed to the Charter Municipalities, in like kind, in the same proportion as the funding assessment for the then current

fiscal year. In the event that the Department's Charter Municipalities cannot agree upon an equitable distribution, in like kind, the assets shall be sold, and the cash proceeds distributed in the foregoing proportions.

Section D. Any real estate and improvements owned by the Commission shall be sold in the event of dissolution. Notice of the intention to sell real estate shall be given to the Charter Municipalities by certified mail. The Charter Municipalities shall have the right to submit written bids on any such property, with the highest bidder being entitled to purchase, provided that the bid price is at least Eighty Percent (80%) of the fair market value of the property as established by a competent real estate appraiser selected by the Commission. If no qualified bids are received within Thirty (30) days of notice of sale being given by the Commission, then the disposition of the property shall be by public or private sale as the Commission may determine. All proceeds of sale shall be disbursed to Charter Municipalities in accordance with Section C above.

Section E. Each Charter Municipality shall be responsible for any unfunded or contingent liability of the Commission in the same proportion as the funding assessments for the then current fiscal year of dissolution, with the exception of pension liability for a police officer who, after dissolution, is rehired by a Charter Municipality, which shall be apportioned in accordance with Article X, Section C, above.

ARTICLE XVII

EFFECT OF REGIONALIZATION ON EXISTING POLICE DEPARTMENTS

Within Thirty (30) days of receiving written notice from the Commission of the date on which the Department shall become operational, North Lebanon and North Cornwall Townships shall adopt resolutions:

- Disbanding their respective police departments;

- Transferring full-time police officers to the Regional Department at salaries, wages, benefits, ranks, and positions, and seniority levels pursuant to Article III, Section D, above;
- Conveying existing police vehicles, equipment, materials, and supplies of North Lebanon and North Cornwall Townships which may be useful to the Commission pursuant to Article IX of this Agreement; and
- Taking any other action required under this Agreement which are necessary for the Regional Department to become operational.

In the event that the North Lebanon Township Police Officer Association and the North Cornwall Township Police Officer Association, do not execute a consolidated regional police contract within Sixty (60) days of the Effective Date, North Lebanon and North Cornwall Townships shall not disband their police departments, but shall, within Thirty (30) days of receiving written notice from the Commission of the date on which the Department shall become operational and adopt resolutions:

- Temporarily assigning their police officers to the Department to provide police services under the direction and control of the Commission in a manner which complies with all applicable Pennsylvania labor statutes; and
- Conveying all existing police vehicles, equipment, materials, and supplies of North Lebanon and North Cornwall Townships which may be useful to the Commission and/or Department to the Regional Department pursuant to Article IX of this Agreement; and
- Taking any other action required under this Agreement which are necessary for the Commission to become operational.

ARTICLE XVIII AMENDMENT AND EXECUTION

Section A. This Agreement shall be subject to amendment and/or modification only by written document executed by at least two-thirds of the then current Charter Municipalities.

Section B. These Articles of Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument and agreement.

IN WITNESS WHEREOF, the parties hereto have executed the same the day and year first written above.

ATTEST:

NORTH LEBANON TOWNSHP

Lori A. Books, Secretary

Chairman, Board of Supervisors

ATTEST:

NORTH CORNWALL TOWNSHP

Justin Thompson, Secretary

Chairman, Board of Supervisors

DRAFT